

BACKGROUND

Social entrepreneurship involves creating a business or organization that proposes to solve a social problem. This could be helping people or having a mission and a vision solely to create a positive impact regarding a particular issue. A **social entrepreneur** is someone who undertakes social enterprises, which are centered around solving social problems in their communities, while simultaneously generating revenue. A **social enterprise** is an organization run by a social entrepreneur with a socially responsible bottom line.

BASIC FACTS

Here are some basic facts about social entrepreneurship:

- **Social entrepreneurs** are different from other business owners and CEOs, because their bottom line typically involves benefitting either people or planet while simultaneously making a profit.
- A **social enterprise** can be a nonprofit (501c(3) designation) or a for-profit (LLC, LLP, SCorp). A nonprofit's main goal is to redistribute the revenue back into society. In general, a for-profit's main goal is to redistribute revenue to the owners and shareholders.
- Some of the issues to consider in social entrepreneurship include:
 - Finding social problems which can be reasonably solved
 - Creating a brand new market or growing an underdeveloped market
 - Working with unreliable infrastructure, untested technology, and unstable/absent regulations

FUNDING OPPORTUNITIES

Here are some resources for funding and ideas:

- [How Social Entrepreneurs Can Land Funding](#): This article gives some tips on ways in which social entrepreneurs can fund their ventures. It gives examples of different types of methods such as creating shared value with a partner venture.
- [Toms Social Entrepreneurship Fund](#): This is a funding resource provided by TOMS for social impact businesses.
- [Grants and Loans for Women-Owned Businesses](#): This article provides a useful list of funding sources that are available to ventures started by women.
- [Good resource for social impact ventures](#): The Unreasonable Group provides resources to "growth-stage" entrepreneurs who are solving important problems in the world and helps them scale their ventures.
- [Quick Guide to Social Impact Funding](#): This is a blog post by an entrepreneur that lists many ideas and resources for social entrepreneurs, including information on fellowships, accelerators,

pitch competitions, examples of organizations/funds that support social entrepreneurship, bank loans, grants, etc.

ADDITIONAL RESOURCES

For more information on Social Entrepreneurship, check out the following resources:

- [Nonprofit Social Enterprise Funding](#): This guide provides descriptions of funding sources for nonprofits and is a great educational tool.
- [Guide for Social Entrepreneurs](#): A comprehensive guide written for social entrepreneurs that gives a good historical perspective and gives other general relevant information.
- [Ultimate Guide to Social Entrepreneurship](#): This brief guide also provides a good historical perspective, describes the different types of social enterprises that exist.

FREQUENTLY ASKED QUESTIONS

What does a social enterprise look like?

When one thinks of a social impact business, the concept of a nonprofit immediately comes to mind. Examples like TOMS shoes might be the first enterprise that comes to mind when imagining what a business with a social impact mission might look like. However, social enterprises can be either a for-profit venture or a non-profit. This means that depending on a social entrepreneur's goals, revenue can be generated while simultaneously achieving a social mission. This could be helping people or having a mission and a vision solely to create a positive impact regarding a particular issue. In general, without a consistent revenue stream, any business venture is likely to fail. This also applies to social impact businesses and is a critical aspect of such a venture.

What are some examples of social enterprise?

Below are some examples of social enterprises. This is not an exhaustive list, but it provides a snapshot of thriving social ventures.

- **For-Profit Social Enterprises:**
 - [Flipgive](#): This is a platform where sports teams can raise funds by shopping online and earning cash back in order to fundraise for their projects.
 - [Roma Boots](#): A social venture that employs the one-for-one marketing concept and gives a pair of boots to impoverished children for every boot sold.
- **Nonprofit Social Enterprises:**
 - [Kiva](#): This is a microlending nonprofit that provides loans to entrepreneurs all over the world and focuses on those in impoverished nations.
 - [Teach For America](#): Teach for America's social responsibility is to change the narrative of education by providing trained teachers who are aware of and are empowered to change the social issues present in education.

How do I make revenue through social entrepreneurship?

One widely used method to generate revenue in social entrepreneurship is through one-for-one marketing (see below). Generating revenue while running a social venture is very similar to generating revenue in businesses that aren't necessarily focused on social impact. All the same business concepts apply here because without any revenue and profits, the venture cannot succeed.

What is one-for-one marketing?

Many social enterprises utilize the one-for-one marketing concept. This is when the customer buys an item and the seller distributes an item as a donation. The Toms model is a popular example of this strategy in use. Though it sounds like a great idea, this model has its drawbacks. The concept of Toms has received some critical and negative feedback due to how the company aims to tackle certain global developmental issues. The following articles summarize important concerns that have been raised by the public:

- [The Broken Buy-One-Give-One Model: 3 Ways to Save Toms Shoes](#) by *Fast Company* presents many interesting questions related to how Toms Shoes aren't actually solving issues of poverty or tackling other social issues in underdeveloped countries. Instead, the company may only be providing a way for consumers in the West to feel good about their "charity".
- [The Buy-One-Give-One Model Might Make You Feel Good, But It Doesn't Make The World Better](#) by *Fast Company* also highlights similar issues.

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ABOUT US

Founded in 2006, **Immigrants Rising** transforms individuals and fuels broader changes. With resources and support, undocumented young people are able to get an education, pursue careers, and build a brighter future for themselves and their community. Immigrants Rising is a fiscally-sponsored project of Community Initiatives. For more information, visit www.immigrantsrising.org.

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